Technical Advisory Panel of the Cooperative Agreement
Minutes
November 14, 2017 – 10:00 a.m.
Southwest Virginia Higher Education Center, Room CR222
One Partnership Circle
Abingdon, Virginia

Members present: Dr. Norm Oliver (Virginia Department of Health "VDH"), Chair; Don Beatty (Virginia Bureau of Insurance); Bobby Cassell (consumer); Dr. Stephen Combs (Wellmont Health System "WHS"); Todd Dougan (WHS); Tom Eckstein (Arundel Metrics); George Hunnicutt, Jr. (Pepsi Cola Bottling of Norton); Pete Knox (Peter Knox Consulting); Lynn Krutak (Mountain States Health Alliance "MSHA"); Sarah Milder (Arundel Metrics); Andy Randazzo (Anthem); and Dr. Morris Seligman (MSHA).

Members absent: Sean Barden (Mary Washington Healthcare) and Dr. Ron Clark (Virginia Commonwealth University Health System).

VDH staff present: Erik Bodin, Director, Office of Licensure and Certification and Joseph Hilbert, Director, Governmental and Regulatory Affairs.

Others Present: Amanda Lavin, Office of the Attorney General; Dr. Sue Cantrell, Director, Lenowisco Health District and Acting Director, Cumberland Plateau Health District; Tony Keck, MSHA; Stacey Ealey, MSHA; Elliot Moore, MSHA; and Todd Norris, WHS.

Welcome and Introductions

Dr. Oliver called the meeting to order at 10:00 a.m. He briefly described the purpose of the Technical Advisory Panel (TAP). Each of the members introduced themselves.

Amending of Agenda

Dr. Oliver explained that the TAP was a public body whose meetings are subject to the provisions of the Virginia Freedom of Information Act (FOIA). He told the TAP that the meeting agenda did not include a public comment period. However, given that there were some members of the public in attendance, he told the TAP that he would like to entertain a motion to amend the agenda to include a public comment period as the final agenda item. Mr. Eckstein made a motion, properly seconded, to amend the agenda to include a public comment period as the final agenda item. The motion was approved unanimously by voice vote.

Draft Policy on Electronic Attendance

Dr. Oliver briefed the TAP on the ability of a public body, as authorized by Virginia Code § 2.2-3708 to hold a public meeting in which some of its members participate electronically from a remote location that is open to the public. He also briefed the TAP on the ability of a public body, as authorized by Virginia Code § 2.2-3708.1 to hold a public meeting in which some of its members participate electronically from a remote location that this not open to the public. Dr. Oliver explained that, in order for a public body to utilize the authority granted by Virginia Code § 2.2-3708.1, the public body must first adopt a written policy allowing for and governing

participation of its members by electronic means, including an approval process for such participation. Dr. Oliver then presented a draft written policy allowing for and governing participation of TAP members by electronic means, including an approval process for such participation. Dr. Seligman made a motion, seconded by Dr. Combs, to approve the draft policy. The motion was approved unanimously by voice vote.

Southwest Virginia's Blueprint for Health

Dr. Cantrell briefed the TAP concerning a variety of health status outcomes and indicators for the Lenowisco Health District and the Cumberland Plateau Health District. She also reviewed the aims and goals in the Southwest Virginia Health Authority's Blueprint for Health Improvement and Health-Enabled Prosperity. The TAP members did not have any questions for Dr. Cantrell.

Addressing Health-Related Social Needs

Mr. Knox provided the TAP with his perspective, based on his prior experience as Executive Vice President and Chief Learning and Innovation Officer for Bellin Health, on the role that hospitals and health systems can play to address health-related social needs, and to improve the health and well-being of the communities that they serve. The TAP members did not have any questions for Mr. Knox.

Presentation of Short and Long Term Measures

Dr. Oliver directed the TAP members' attention to the draft set of proposed short-term expectations and long-term measures and performance indicators contained in the meeting packet. He reminded the members that the TAP's task is to develop metrics to recommend to Commissioner Levine for actively supervising the New Health System. He told the TAP that the draft expectations, measures, and performance indicators were intended to serve as a starting point for discussion. In developing the draft long-term measures and performance indicators, Dr. Oliver said that VDH had looked at the 49 conditions that Dr. Levine attached to the Order authorizing the cooperative agreement and tried to envision what it would look like if one year from now, or three years from now, the NHS was fulfilling its commitments and meeting those conditions. In developing the short-term expectations, VDH then envisioned the steps and actions that would need to be taken in the next 90 days, 120 days, and 180 days to ensure that the New Health System will meet the 49 conditions over the long-term. Dr. Oliver told the TAP that VDH wants and needs to hear its ideas concerning the proposed expectations, measures, and performance indicators, including any other measures that should be added, any measures that should be deleted, any measures that should be modified, and any other thoughts concerning what should be recommended to the Commissioner.

Mr. Knox then presented the proposed long-term measures and performance indicators to the TAP. He told the TAP that the long-term measures and performance indicators were organized and grouped into one of eight outcomes:

1. Create value in the marketplace,
2. Improve health and well-being for a population,
3. Equitable access to services across the region,
4. Adequate providers to provide equitable services throughout the region,

5. Benchmark operating performance,
6. Strong vibrant culture,
7. Strong academics and research impacting regional issues, and
8. Monetary commitment.

Mr. Knox also explained that the conditions with which VDH believes each of the proposed measures and performance indicators is associated are identified in the document.

Mr. Knox then began to review the proposed performance indicators for Outcome 1 – Creating Value in the Marketplace. There was extensive discussion among the TAP members concerning the proposed performance indicators. The discussion generally focused on the following:

- The extent to which several of the proposed performance indicators may actually constitute new conditions to which the New Health System has previously not agreed;

- The extent to which several of the proposed performance indicators are actually associated with specific relevant conditions, as portrayed by VDH;

- The extent to which the proposed performance indicators are aligned with the Southwest Virginia Health Authority's Blueprint for Health and Health-Enabled Prosperity, Virginia's Plan for Well-Being, and the Tennessee Terms of Certification;

- The extent to which several of the proposed performance indicators actually constitute targets to be achieved, without any associated baseline, peer group to which the New Health System's performance is to be compared, or date by which the target is to be achieved;

- The extent to which the proposed performance indicators would increase the New Health System's cost of compliance with the cooperative agreement;

- The extent to which the proposed performance indicators could be measured using data that is already being collected by the New Health System;

- The extent to which the proposed performance indicators are necessary for the Commissioner to actively supervise the approved cooperative agreement and its 49 attached conditions;

- The extent to which the New Health System's failure to achieve the target of any one performance indicator would influence the Commissioner's decision concerning whether or not to seek to revoke the cooperative agreement;

- How the Commissioner would "score" or objectively determine whether or not the New Health System had satisfied the various performance indicators;

- The possibility for a small subset of TAP members to meet with VDH staff concerning technical questions and issues with respect to certain of the proposed performance indicators, and

- The process that the TAP would use to determine the specific performance indicators that would be included in its recommendation to the Commissioner.

There was further discussion concerning several of the specific performance indicators included as part of Outcome 1.

Performance Indicator – Comprehensive plan for managing payer relationships with six month milestones complete and approved by the health commissioner on an annual basis.
-Plan to include specific strategies and tactics for payer relationships in Southwest Virginia
-Ongoing review of six month milestones.

Discussion – There was a request for greater specificity concerning the elements that VDH expected to be included within the "six month milestones." The MSHA representatives on the TAP said that information submitted as part of this comprehensive plan, if recommended by the TAP, would need to be labeled as proprietary.

Performance Indicator – Comprehensive plan for the new infrastructure to support a risk-based business model with six month milestones complete and approved by the health commissioner on an annual basis.
-Initial infrastructure plan to be a five year view.
-Ongoing review of milestones.

Discussion – There was a request for greater specificity concerning the elements that VDH expected to be included within the "six month milestones." The MSHA representatives on the TAP said that information submitted as part of this comprehensive plan would need to be labeled as proprietary.

Performance Indicator – Total cost of care measured by PMPY for all risk-based contracts increasing at half the regional trend for similar populations on an annual basis.

Discussion – It was suggested by the MSHA representatives that this performance indicator, if recommended by the TAP, should focus on risk-based contracts with large payers rather than all payers. There was also discussion concerning the appropriate peer group, and baseline, that would be used to evaluate "half the regional trend for similar populations . . . ."

Performance Indicator – Improved year over year quality and satisfaction performance in agreed upon indicators in all risk-based agreements.

Discussion – Mr. Dougan said that this indicator should not be based on "all" risk-based agreements, as there will always be "hiccups" in performance. He said that this performance indicator should be based on comparison to peer organizations. Mr. Knox said that this performance indicator refers to metrics that are already in payer contracts. Ms. Krutak asked if the TAP could look toward a common set of metrics across all contracts held by the New Health System.

Performance Indicator – Increasing percentage of overall revenue coming from risk-based agreements achieving 30% by 2021.

Discussion – Ms. Krutak asked if this performance indicator is referring to gross revenue or net revenue. Mr. Randazzo said that the performance indicator was actually referring to "total spend." Mr. Dougan asked if this performance indicator was based on allowable charges.

Performance Indicator – Comprehensive IT and analytics plan complete within one year of agreement being signed with defined six month milestones. Milestones achieved on a rolling six-month basis.

Discussion – Ms. Krutak said that these performance indicators go way beyond the identification of quality, cost, and access metrics, which she said is the purpose of the TAP per Virginia's regulations (12VAC-221-120 – Technical Advisory Panel). Dr. Oliver responded that, per 12VAC5-100 (Ongoing and Active Supervision), VDH is also responsible for establishing quantitative measures used to evaluate the proposed and continuing benefits of the cooperative agreement. According to the regulations, the quantitative measures shall include measures of the cognizable benefits of the cooperative agreement in at least the following categories:

- Population health,
- Access to health services,
- Economic,
- Patient safety,
- Patient satisfaction, and
- Other cognizable benefits.

Ms. Krutak said that the TAP should be focused on the plans and steps needed to implement the clinically integrated network.

Performance Indicator – Comprehensive plan for the new infrastructure to support a risk-based business model with six month milestones complete and approved by the Commissioner on an annual basis.

-Initial infrastructure plan to be a five-year view
-Ongoing review of milestones

Discussion – Ms. Krutak said that the TAP should be mindful of the amount of additional work that would need to be done, and the cost, in order to report on these performance indicators.

Performance Indicator – Increasing percentage of independent physicians participating in the clinically integrated network achieving 80% by 2021.

Discussion – The MSHA representatives called into question the need for the 80% target. They suggested that instead a baseline be established and then measure subsequent improvements over the baseline.

Performance Indicator – Increasing percentage of independent physicians on the common IT platform achieving 80% by 2021.

Discussion – Dr. Seligman said that the New Health System can encourage, but cannot force, independent physicians to utilize the common IT platform or to participate in the clinically integrate network. For that reason, he said that a fixed percentage established as a target is not

realistic. Mr. Knox said that there needs to be a goal to get independent physicians into the system. He also said that the New Health System needs "to put a stake in the ground" concerning this. Mr. Knox acknowledged that 80% may not be an appropriate target, but a specific target is needed.

Performance Indicator – Improved overall health and experience while reducing cost for employee and family population.
-Cost on PMPY minimum of half the regional trend.
-Quality metrics for employee populations at upper quartile performance.
-Experience metrics for employee populations at upper quartile.

Discussion – Dr. Seligman requested clarification concerning the timeline for the New Health System to achieve upper quartile performance. Dr. Oliver suggested that the cost component of the indicator could be revised to state that costs would be held flat at first, and then trend down over time. Dr. Seligman asked about quality measures that were included in the Commonwealth's State Innovation Models grant. Dr. Oliver responded by encouraging the TAP members to submit any specific suggested revisions to the proposed measures and performance indicators.

Performance Indicator – Increasing relationships with employers in the region with new customers added each year.

Performance Indicator – Demonstrated improvement in cost control, quality and experience for employer customers year over year.
-Cost on PMPY minimum of half the regional trend.
-Quality metrics for employee populations at upper quartile performance.
-Experience metrics for employee populations at upper quartile performance.

Performance Indicator – Increased spending by new system on ongoing operations with regional suppliers year over year to a minimum of 70% by 2021.

Discussion – Dr. Seligman inquired concerning the origin of this performance indicator and said that this was another example of a target, not a measure. He said that he was not sure why this economic constraint was being placed around the New Health System. Ms. Krutak said that she considers this to be a new condition, and that MSHA cannot afford to do this. Mr. Eckstein asked MSHA and WHS what their current baseline was for spending with regional suppliers. The MSHA representatives said they did not know. Mr. Dougan said that WHS' current baseline was 5%. Ms. Milder stated that, in her opinion, this performance indicator would be supportive of population health improvement efforts. Mr. Randazzo said that he generally shared that assessment.

Mr. Knox then began to review the proposed performance indicators for Outcome 2 – Improve Health and Well-Being for a Population. Ms. Krutak offered to submit a proposed set of performance indicators, including baselines and targets, that are aligned with the Southwest Virginia Health Authority's goals. Mr. Hunnicutt suggested that those performance indicators that are directly related to hospital care should be addressed first. Mr. Eckstein said that performance indicators should also be items that are not health-care related.

Next Steps

Mr. Hilbert said that, should members of the TAP wish to submit written questions to VDH concerning any of the proposed indicators, VDH would prepare a response.

Dr. Oliver told the TAP that he anticipated the need for at least two or three additional meetings. He also said that he anticipated that the TAP's recommendations to the Commissioner would be decided based on a vote of a simple majority of the members.

The members agreed that the next meeting would be held on December 4-5 at a location to be determined in the Richmond area. The meeting will be for a full day on December 4, and a half day on December 5. VDH staff will arrange for an appropriate meeting location.

The members also agreed that the TAP should also meet on December 14, at a location to be determined.

It was agreed by general consensus that the TAP's recommendations need to be submitted to the Commissioner by December 31.

Public Comment

Mr. Keck addressed the TAP. He said that the discussion during the meeting had been valuable. He said that there is only so much money to be allocated or spent in southwest Virginia as a result of the merger. He also said that the focus on measures is important, but measurement does have a cost. Finally, he said that VDH needs to be careful about not getting between the payers and the providers in the course of its active supervision of the cooperative agreement.

Adjourn

The meeting adjourned at approximately 4:00 p.m.